

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

TEAM SYSTEMS INTERNATIONAL, LLC,

Debtor.¹

Chapter 11

Case No. 22-10066 (CTG)

Related Docket Nos. 181 and 202

**BERING STRAITS LOGISTICS SERVICES, LLC’S JOINDER AND RESERVATION
OF RIGHTS TO GPDEV, LLC AND SIMONS EXPLORATION, INC.’S
OBJECTION TO THE CHAPTER 7 TRUSTEE’S APPLICATION
TO RETAIN VENABLE LLP AS SPECIAL COUNSEL**

Bering Straits Logistics Services, LLC, (“**Bering Straits**”), by and through its undersigned counsel, hereby joins (the “**Joinder**”) in, incorporates by reference, and adopts *GPDEV, LLC and Simons Exploration, Inc.’s Objection to the Chapter 7 Trustee’s Application to Retain Venable LLP as Special Counsel* [Docket No. 202] (the “**Objection**”) for the reasons stated therein, and to the extent not otherwise inconsistent with the Objection, Bering Straits respectfully states as follows:

JOINDER AND RESERVATION OF RIGHTS

1. Bering Straits joins in, incorporates by reference, and adopts as its own the Objection filed by GPDEV, LLC and Simons Exploration (“**GPDEV/Simons**”). Although Bering Straits does not object to George Miller (“**Mr. Miller**”) serving as Chapter 7 trustee in this case, Bering Straits does agree that it is not in the estate’s best interest for Mr. Miller to be making substantive decisions about administering this case until his status as trustee is clarified. There is no reason why pursuing the FEMA Claims cannot be put on hold for a short time until Mr. Miller’s authority is either confirmed or revoked.

¹ The Debtor in this chapter 11 case has a last four-digit federal tax ID of 8411. The location of the Debtor’s service address in this chapter 11 case is 16192 Coastal Highway Lewes, Delaware 19958.

2. There is one additional aspect of the Retention Application that concerns Bering Straits. Paragraph 14 of the Retention Application states that the proposed 30% contingency fee is based on “gross recovery,” which is defined as “all money and other things of value recovered by the estate related to the Estate FEMA claims, *regardless of the payor*” (italics added). Bering Straights understands that there has been some discussion about the bankruptcy estate selling the FEMA claims to Deborah Mott (“**Mrs. Mott**”). Under the proposed fee structure, if, hypothetically, Mr. Miller were to sell the estate’s FEMA claims to Mrs. Mott for \$5 million, then the Venable firm could argue that it was entitled to a \$1.5 million contingency fee. This fee would not be the result of any new legal work performed, or litigation risks taken, by Venable, but would simply be a windfall paid for by the creditor body. The Retention Application does not explain the reasoning, or the intent, behind the “regardless of the payor” language and there should be an exception for any sale of the FEMA claims.

3. If someone other than Mr. Miller is appointed to serve as permanent Chapter 7 trustee in this case, that new trustee might not consider the “regardless of the payor” language to be in the best interests of the estate. Rather than expose the estate to the risk, expense and delay of a new trustee attempting to undo something that the previous trustee did, the whole decision as to whether the Venable firm should be retained, and on what terms, should be held in abeyance until the trustee issue is finally resolved.

4. Nothing in this Joinder is intended to be, or should be construed as, a waiver by Bering Straits of any of its rights under the Bankruptcy Code or applicable law. Bering Straits expressly reserves all such rights, including, without limitation, the right to supplement and/or amend this Joinder and assert any further arguments as Bering Straits deems necessary or appropriate.

CONCLUSION

WHEREFORE, for the reasons set forth above, Bering Straits respectfully request that the interim trustee's Application to Employ Venable, LLP [Docket No. 181] be denied without prejudice.

Dated: June 23, 2022
Wilmington, Delaware

CHIPMAN BROWN CICERO & COLE, LLP

/s/ William E. Chipman, Jr.

William E. Chipman, Jr. (No. 3818)
Hercules Plaza
1313 North Market Street, Suite 5400
Wilmington, Delaware 19801
Telephone: (302) 295-0191
Email: chipman@chipmanbrown.com

—and—

Cabot Christianson, Esq. (Admitted *pro hac vice*)
LAW OFFICE OF CABOT CHRISTIANSON, P.C.
911 West 8th Avenue, Suite 201
Anchorage, Alaska 99501
Telephone: (907) 230-8160
Email: cabot@cclawyers.net

Counsel to Bering Straits Logistics Services, LLC